



Department of Justice

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GEORGIA COMPANY AND EXECUTIVE CHARGED WITH RIGGING BIDS ON WATER TREATMENT FACILITY PROJECTS

WASHINGTON, D.C. -- A Georgia water treatment supplier and one of its top executives were charged with conspiring to rig bids on the sales of equipment such as valves and flow tubes used at various water and wastewater treatment plants in Alabama and Georgia, the Department of Justice announced today.

A one-count felony charge was filed in U.S. District Court in Atlanta on June 2, 2000, and was unsealed today against The Wickliffe Services Company Inc. and Jerry R. Wickliffe, for participating in a conspiracy to suppress and eliminate competition by rigging bids in violation of the Sherman Act. According to court papers, bids were rigged on the sales of equipment, including butterfly valves and venturi flow tubes, which are used to measure and direct water at treatment plants. Wickliffe was an owner and officer of the company at the time of the offense. The defendants, along with unnamed co-conspirators, are charged with participating in the conspiracy from January 1994 through late April 1998, carrying out the conspiracy through telephone calls and meetings.

"In order to provide water of the highest possible quality at the best possible price, the cities and counties of this country depend on the competitive bidding process," said Joel I. Klein, Assistant Attorney General in charge of the Antitrust Division. "By rigging the bids on equipment for major plants

in Alabama and Georgia, the parties to this scheme picked the pockets of the taxpayers, and such conduct will be prosecuted vigorously."

The Wickliffe Services Company Inc., based in Alpharetta, Georgia, and Jerry R. Wickliffe are charged with violating Section One of the Sherman Act, which carries a maximum fine of \$10 million for corporations and a maximum penalty of three years imprisonment and a \$350,000 fine for individuals. The maximum fine for both corporations and individuals may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime, if either of those amounts is greater than the statutory maximum fine.

Today's charge is the second to arise as a result of an ongoing investigation being conducted by the Antitrust Division's Atlanta Field Office and the Federal Bureau of Investigation. Anyone with information concerning bid rigging in the water and wastewater treatment equipment industry should contact the Atlanta Office of the Federal Bureau of Investigation at (404) 331-7108.

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